

**DOCKETED**

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**Biofuels Infrastructure**

*Additional submitted attachment is included below.*

Western Iowa Energy is a biodiesel producer based in Iowa and can supply the California marketplace with up to 45 million gallons per year (GPY) of biodiesel. However, even with the Low Carbon Fuel Standard (LCFS) carbon credits it is impossible to import biodiesel into California in the current market. Only 184 million gallons of biodiesel were sold in California in 2018 out of a potential 700 million gallons. That shortfall is largely due to a lack of blending infrastructure. The restriction of distribution infrastructure causes the market to be saturated with biodiesel; it sells at such a discount that it is simply not worthwhile economically moving biodiesel into California.

California is an important market in the US, particularly as the Federal Renewable Fuels Standard (RFS) has been impacted under the current leadership of the EPA, and there seems to be a delay in the funding of the tax extenders bill. Both make the CEC's, and hence California's lack of support for diesel replacement fuels particularly worrisome. With stronger biomass-based diesel support the CEC would signal that investment would have long term returns, and Western Iowa would invest in production and distribution infrastructure.